

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
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SMALL MINING OPERATIONS 2008 PROGRESS REPORT
January 1, 2008 to December 31, 2008

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

1. Mine Permit Number: 50430029
2. Mine Name: Utelite Grass Creek
3. Name of Operator/Permittee: Utelite Corp.

Note: If Operator's address, company representative or phone number have changed, please provide a replacement page to the Notice of Intention.

4. Mine Location: Grass Creek
5. Report the gross amount of ore mined and waste moved, as well as the current disposition of the material (sold, stockpiled, regraded, etc.):

Gross Ore Mined 0 Tons, or 0 yd³
Waste Material Moved 0 Tons, or 0 yd³
New Disturbance 0 Acres during 2008
Area Reclaimed 0 Acres during 2008
Total Disturbed Area 0 Acres*

*Total life of mine disturbance to the end of 2008.

Was the ore shipped off site? If not, where is the ore located? _____

Where is the waste located? _____

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Carsten Mortensen
Title of Operator: President
Signature of Operator: Carsten Mortensen
Date: 1-29-09

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FEB 03 2009